Mr. Bhaskara Menon have all given such notice. I ask one of these Hon'ble Members to satisfy me regarding the admissibility of this motion.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* May I point out, Sir, that the motion placed by me is slightly different from the others and it may be considered separately.

Mr. President: No, Sir.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* I wish to explain this.

Mr. President: I simply wish the Hon'ble Member to satisfy me on the point of admissibility.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* The notification appeared in the Gazette very recently, therefore it is a matter of very recent occurrence which could not be brought befor the House in any other form. It is a matter of public importance inasmuch as it relates in a restricted form to the Elections meetings, where only a candidate or opposed candidate is only allowed to convene meetings after giving 24 hours, notice to the Police. It is very doubtful.....

Mr. President: Order, order, the Hon'ble Member is proceeding to the merits of the question. I think he said that it is a matter of recent occurrence and that it is of public importance.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* It is of public importance because it relates to the Elections.

Mr. President: The Hon'ble Member has already said that.

Rama Varmha Tampuran, M.B.E. *(Secretary to Government):* We do not propose to raise any objection with regard to the admissibility of these motions.

Mr. President: Then I fix the discussion on these motions for 3-30 to morrow afternoon.

SUPPLEMENTARY GRANTS

1. Rs. 1,200—10—0 under 5—Co-operative Societies—Miscellaneous

Mr. T. K. Nayar *(Minister for Rural Development):* I beg to move for an additional allotment of Rs. 1,200—10—0 under "5—Co-operative Societies—Misellaneous", by transfer from "5—Co-operative Societies—Salaries".

Mr. K. Narayana Menon, Officiating Secretary, Land Mortgage Bank has taken privilege leave for four months. The leave earned by him is on his services in the State Service, hence the leave allowance has to be only met by the Government. The Bank is however paying the allowance in the first instance but in order that the amount may be adjusted to the Land Mortgage bank from time to time, this amount has to be transferred to the head "Miscellaneous". Hence it is necessary to trasfer Rs. 1,200—10—0 being the amount required for the payment of leave allowance for 4 months from "5—Co-operative Societies—Salaries" to "5—Co-operative Societies—Miscellaneous". I request that House may be pleased to grant the amount.

Mr. President: Before the Hon'ble Member moves his cut I must remind him that discussion on the cut motion must confine itself to the specific matter for which the supplementary demand is made. He is not at liberty to speak on the general administration of the Department.

Cut Motion

* **Mr. Joseph Pettah** *(Adur):* Mr. President Sir, I rice to move *to reduce the allotment of Rs. 1,200—10—0 for leave allowance under "5—Co-operative Societies—Miscellaneous"* by rupee one. The purpose for which the cut is made is *to show the futility of the work of the Co-operative Department in the State.* If I am not allowed to speak on the futility of the work of the Department, I do not know, what useful purpose will be served by moving this cut motion. This Rs. 1,200—10—0 comes under office establishment that is for leave allowance and I thought I will be justified in tabling the cut because this is an allotment which is concerned with the administration of the department. So I thought I was within my limits to move the cut which pertains to the administration of that particular department. If I am allowed to say something on the administration of the department I shall proceed. Otherwise if it is a question of leave whether he is at liberty to take leave or not if it is such a question that can be discussed I think I have no place.

Mr. President: I have already informed the Hon'ble Member that a discussion on the general administration of the Department will not be in order on this Motion.

Mr. Joseph Pettah *(Adur):* I would still request the Chair to tell me what exactly is meant by not saying anything on the administration. Am I permitted to say anything on the Administration of the Department.

* Speech not corrected by the Hon'ble Member.

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. President: The Hon'ble Member must confine himself to the specific purpose for which this supplementary demand is made.

Mr. Joseph Pettah (*Adur*): I would say that this allotment is unnecessary because it is an allotment for the administration of the department and since the administration is not conducted in the proper manner I would say that the allotment is not necessary. The point has to be brought to the notice of the Government that it is not conducted in the proper manner. If that line of argument is accepted I would say that it is 30 years now since this department is functioning in this State and the working of this Department has not been anything satisfactory. I would only draw the attention to a few details just to show that not even 10 per cent of the expectations of the original promotors or founders of the department.....

Mr. President: Order, order. The demand relates to a specific sum of money for a specific officer. The Hon'ble Member is not in order in going back to the origin of the Co-operative department and tracing its history.

Mr. Joseph Pettah (*Adur*): I shall confine myself to the activities of this particular officer. The Registrar of Co-operative Societies has been in charge and leave allowance has been claimed for him. I do not go back to 30 years. I shall confine myself to the administration of the particular officer of the department for the year 1118, during which he was in office: During that particular year there were something like 323 societes on the rolls, and with something like 38 thousand members. So far as number goes it is more or less satisfactory but when we make a scrutiny in working of the department under the administration of that officer we find that it has all been unsatisfactory. The first indication of the unsatisfactory nature of the work done by that officer is found in the classification of societies. A class Societies come to 35 only, B class comes to 81, C 89, D 83 and E 28. Even the A class Societies as they are called by the Registrar is based on certain technical conditions such as punctual repayment, well-written accounts, adequate local deposits. These are things which are found on page 10 of the administration report for 1118. There it is said the punctual repayment, well-written accounts, adequate local deposits, are the tests of A class Societies. I should hold that these are not essence of the Co-operative movement or that they do not go a long way in making the Co-operative movement a success. The 83 D class Societies of the 323 are in the wording of the Registrar, should go into liquidation if they do not improve and raise themselves to class 3 within a period of 2 years. So 89 societies deserve to come under this category. There are 28 E class Societies which are not fit to raise any new loan from the financial institution. Such is the condition of the various societies under the present administration.

Then, Sir, even in the case of A class Societies so far as I know the punctual repayment which they show is to a very large extent a matter of book adjustment, one loan being repaid by another loan so that in fact there is no repaying there also. Another indication of the very unsatisfactory administration is found in the nature of the transactions: the whole set of 343 societies together in 1118 succeeded in advancing loans to the tune of 12 lakhs and in the previous year it was 17 lakhs. There was a decrease of five lakhs in the granting of loans. The Registrar says it is due to the prosperity of the people under the present circumstances and therefore loans were not required. But let us look at another side. We find various Banks working in the State and in their case the loan amount has gone in increasing because of the prosperous times, people are entering upon business largely. Why should not that be the case in the case of the Co-operative Societies? That is a lame argument advanced. That is what I wish to place before this House.

Then the Registrar on page 5 of the report again says that the working of the Non-agricultural Societies was very fair. But there is much more scope for improvement. Urban Banks can easily do all the work that is now being done by Joint Stock Banks. They can dispense credit more cheaply and help small business better. Similarly Employees' Societies, particularly Government Servants' Societies should be able to reduce their overdues provided they are run on pure business lines. There is much slackness in most societies which account for the comparatively large overdues of societies that have all facilities for easy collection of instalments of loan. That means that these urban societies are supplying the public with the loans that they require and yet what is the comparative position? An ordinary Joint Stock Bank in Trichur has given in the same year loans to the extent of 18 lakhs, one institution. But all these 343 societies together have given loans to the extent of 17 lakhs and yet the Registrar says that they could give the credit that is wanted by the public just as the Joint Stock Banks. If that is not done whose fault is that? Has the administration no responsibility in the matter? They say how that responsibility was

LIBRARY ARCHIVES Kerala Legislative Assembly

discharged. Then about Fishermen's Societies at page 6 of the report. The Hon'ble Member who is a representative of that interest is not here. It is stated, "I cannot say that these societies are working well. All of them are very small societies doing very little business and that of dispensing credit". Now the Fishermen's Societies are expected to do something and giving credit facilities for th t purpose. They give just a little of credit. Then there is the question of overdues. In the year 1118 the loans due from the members came to 2·44 lakhs, nearly 2½ lakhs, of which nearly 1½ lakhs became overdues. 60 per cent of the loans due were overdue. That shows slack is the collection and the intolerable method of collecting these dues of the members.

Then again, Sir, when the whole question of food supply came there was a chance for our Co-operative Societies to be efficient agencies for distributing food supplies to the people of the various villages. In Madras they have been doing something in the line. The name of the Triplicane Co-operative Society has become a household word in every village. The Registrar was deputed to go to Madras to study the conditions there and report whether anything similar could be done here. He came and reported that such things could not be done here. I wonder how it could not be done here. The people here are more educated than the rank and file of other parts of British India. If such things cannot be successfully done in Cochin, I wonder in what part of British India it would be possible. Then again, Sir, these are some of the specific indications and some of the specific tests. There are certain general tests. The more important general test is whether the administration has succeeded in reducing the indebtedness of the members in general and whether it has succeeded in increasing the earning capacity of the so-called co-operators of Cochin State. If that criterion is applied and a general survey made on this basis I am afraid the results would be most disappointing. So far as I know and I understand the conditions here, the administration of the Co-operative Department and the administration of the Co-operative member has tended to lead the people more and more into indebtedness and has very little helped to increase the earning capacity of the people. Every one knows that the rank and file of the people would be able to testify to these things. In fact the word Co-operative has been translated in vernacular as കടംകൂടിയത്. They say it so rediculous and there is much of truth.

Only just one word. The Registrar concludes the Administration Report and he seems to put the blame on other departments. His remarks are more an attack on the Agricultural Department than his own Department. He says "Cochin is an agricultural State. Its material wealth consists mainly of agriculture and to a certain extent of industries. Of the two, agriculture is the most important wealth producer and sustainer of the lives of the 90 per cent of its people. All the same, production here per unit area as compared to other countries is incredibly low. Experts are of opinion that our yield per acre is only a third of that of China, a fourth of Egypt and Japan and less than a sixth of Spain and Italy. While the populationr increases steadily the per capita acreage of land correspondingly shrinks. For want of prop e manuring and good facilities for irrigation lands get improved.

Again he says about industries: "The other wealth producer, *viz*, cottage industries are not in a better position. Some families of weavers and blacksmiths and a few other artisans still linger on without two square meals a day even though our artisans are second to none in the whole world for their skill." So the defective working of the Agriculture and Industries has been brought to the notice of the Government. What about the remedy? Has he pointed out any remedy? He goes on to say "Therefore it follows that the prosperity of the State lies in the scientific development of agriculture and of cottage industies" The Registrar of Co-operative Societies thinks that this can be achieved through co-operative method. Who prevented the Registrar in doing so? He says "with better and more facilities a good deal can certainly be done and I am sure that much will be done very soon." That is a hope expressed. I also hope that something will be done.

Then finally, he goes back to the oft-repeated statement I have come across not in one Administration Report but in many reports throwing the blame on the non-officials. He is quoting from the report of the Registrar of Co-operative Societies, Madras. I am not going to waste the time of the House by reading it in extenso. The purpose is only this. He says that it is all for want of rigid official control of the Co-operative movement and he wants more and more powers to be given to the officers. Ample powers have been given to the Departmental Officers to control the movement and to bring it on proper lines. There are certain special provisions in the rules which give cent per cent powers to the Registrar. If even with these powers he could not be satisfied and he could not rectify matters I wonder what other powers will be necessary for the officers to control the department. There is a resolution tabled by Mr. Panicker.....

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. President : The Hon'ble Member is exceeding the time-limit.

Mr. Joseph pettah *(Adur):* I will conclude in two minutes, Sir.

I referred to that resolution tabled by Mr. Panickar that this Registrarship may be abolished. It is resolution No. 109 "പരസ്പരസഹായസംഘം രജിസ്ട്രാരുടെ തസ്തിക വേണ്ടെന്നു വെക്കുകയും, ആ വകുപ്പ് അസിസ്റ്റാണ്ട് വ്യവസായ ഡയറക്ടരുടെ കീഴിലാക്കുകയും, സംഘങ്ങൾ രജിസ്റ്റർചെയ്യുവാനുള്ള അധികാരം അസിസ്റ്റാണ്ട് വ്യവസായ ഡയറക്ടർക്കു കൊടുക്കുകയും ചെയ്യാൻ ഈ കൌൺസിൽ ഗവൺമെണ്ടിനോടു ശുപാർശ ചെയ്യുന്നു." That is a resolution which I may not subscribe to. Sir, I think someting may be done to improve the working of this department. There has been an enquiry into this and a voluminous report has been submitted. I think it is still pending before the Government and no orders have been passed. My request is that the Government may be pleased to go through this report very carefully and do the needful.

Mr. C. V. Iyyu *(Kunnamkulam):* Sir, I oppose the cut motion. I did not raise any point of order because the Hon'ble President has already allowed the member to speak. The Member ought to have taken up a different position. In that case I would have agreed with him. This Rs. 1,210—10—0 ought not to be spent at all. This is an unnecessary expenditure brought about on the taxpayer by certain whims and fancies of the Minister. That ought to have been the position. This ought to have been classified as an unnecessary expenditure. With the Hon'ble Member for Adur, in spite of all his talents for economics, I beg to differ and the motion he has brought before this House cannot be accepted by the House. I say that it is not in order. He could have brought forward this point also that a man who is not qualified in co-operation is now the Co-operative Registrar. As the Hon'ble Memer for Mukundapuram Ezhuvas says the post of the Registrar of Co-operative Societies could have been abolished and the Assistant Director of Industries could have been given that post. He would have been more qualified. So the position that ought to have been taken is practically different. I very much regret that I cannot agree with the Hon'ble Member for Adur with all my admiration for him. Any way one thing is certain. The amount ought to have been totally opposed. Not a single pie of this is spent in the interests of the taxpayer. It is a waste, nothing but a waste. In fact this one rupee won't count anything at all. The Hon'ble Member for Adur seems to have a bad opinion about the whole department. If the department is run on improper lines and the Registrar is found to be unfit for the work he ought to have been suspended or dismissed and this amount of Rs. 1,210—10—0 should not have been wasted. So the position taken up by the Hon'ble Member for Adur is perfectly incorrect; that is my humble opinion. So I don't support this motion.

* **Mr. A. V. Moothedan** *(Chalakkudi) :* Sir, I oppose the cut motion. The supplementary demand is to pay leave allowance to the officiating Secretary of the Land Mortgage Bank. Now, this officer is not responsible for the administration of the Co-operative Department. The Land Mortgage Bank is only one Co-operative Society. He is not responsible for the administration of the department. Though I may agree with all that has been said by the Hon'ble Member for Adur I may not support him on this technical ground because that gentleman is not responsible for the administration of the Co-operative Societies in the whole of Cochin State. He is only a secretary of one of the Societies which is working beautifully well. He is entitled to the leave and he should be given leave and he should be paid. Therefore, this demand should be fully supported.

Regarding what Mr. Iyyu suggested or wanted to suggest the Secretary of the Land Mortgage Bank could have been promoted as registrar. The present Registrar had been working in the Land Mortgage Bank for several years and all the members of the Bank have very great esteem for him. He has won their admiration and such a man who is well experienced is promoted as Registrar. Therefore, I support the supplementary grant.

Mr. T. K. Nayar *(Minister For Rural Development):* Sir, when moving for this leave allowance for the Secretary of the Land Mortgage Bank I did not anticipate this criticism from the Hon'ble Member for Adoor and I was not prepared to answer the working of the whole department. The Hon'ble Member who is a veteran co-operater knows pretty well that this department has never reached the ideal in any civilised country, if I may be permitted to say so. This system is being worked through non-officials and there will be real difficulties for the department to carry out the administrative policies of the department. There will be real difficulties. There will be hitches. There will be conflict of views. But I don't say that everything possible has been done. There is yet scope for doing very many things. I do not agree with the Hon'ble Member when he says that the non-officials have no hand or at least he criticised the

*Speech not corrected by the Hon'ble Member

LIBRARY ARCHIVES Kerala Legislative Assembly

Administration Report of the department or the remarks made by the Registrar in the Administration Report that for the major portion of the development of the Department the responsibility rests with the non-officials. I am constrained to agree with the Registrar in that respect. It entirely rests with the non-officials. In a co-operative society when the working is found to be unsatisfactory and when the Government officer interferes naturally there will be a hue and cry saying it is a self-governing, autonomous democratic instituion and so on. At times when we find that the working is quite unsatisfactory and public money is being misappropriated we have to interfere and even in such cases we hear these criticisms. So it is a very delicate affair. I am sure the Hon'ble Member will agree with me when I say that men of his type will come forward and do propaganda among the workers of these societies and make them reach the ideal position which be contemplates and which we all desire.

Then regarding the question of stores I may mention to this House that we are trying to induce our societies to take up the distribution of rationed articles and we are starting such societies now and we hope in due course to convert as far as possible several existing societies into Co-operative Stores for distributing rationed articles. I do not think I need reply to the point raised by the Hon'ble Member for Kunnamkulam. I may just bring to his notice that even if Mr. Narayana Menon had not been transferred to the Land Mortgage Bank he is entitled to this leave and the Government will have to bear this expense. With regard to the assumption that he took leave because he was transferred to the Land Mortgage Bank the Government is not prepared to see eye to eye with that Hon'ble Member. Even as Co-operative Registrar he is entitled to this leave. There will be a substitute and the leave allowance will have to be paid and that amount will have to be paid from the general revenues of the State. Sir, a little knowledge is always dangerous. I am only asking for a grant of Rs. 1,210 for the leave allowance of the Secretary of the Land Mortgage Bank and I request the House may be pleased to grant this amount.

*__Mr. Joseph Petta__ (*Adur*): Sir, by way of reply I would like to say a few words just to remove a misconception which might be caused in the House on account of a remark made by a few Hon'ble Members. I do not think there is any necessity to reply to the remarks made by the Hon'ble Member for Kunnamkulam. I find that the position that he would take up is a much more radical one. His quarrel was only with the particular point of view or the particular way in which I presented my cut motion. If it were presented as an opposition to the whole grant proposed he would have supported. I think no serious reply is called for the remarks made by him.

As regards the remarks made by the Hon'ble Member for Chalakkudi I think the Hon'ble Member is under a misconception. The Hon'ble Member says that it is the leave allowance of the Officiating Secretary of the Land Mortgage Bank. It is stated that he is entitled to this leave allowance. But the leave allowance has been earned by him as the Co-operative Registrar and not as Secretary of the Bank. This point I think was overlooked by the Hon'ble Member for Chalakkudi.

Then just a word about what the Hon'ble Minister stated. The non-officials have to take part in this particular movement. Surely it is a democratic institution provided it is allowed to be democratic and provided the non-officials are given some amount of freedom to work in the movement with some amount of self-respect. What I say is these officers of the department could have done very much. What I find is that the Inspectors are generally concerned with the mere routine work and the mere technicalities and they do not do any propanganda work in this respect. We consider them as the friend, philosopher and guide of the co-operator. If that attitude as taken up by the department I think much could have been done. Anyhow the Hon'ble Minister has assured us that in certain directions at least improvements would be made in the near future and on whole it would seem that there has been a re-shuffling and perhaps we might hope that a new chapter would be opened in the annals of the co-operative movement in Cochin and in that hope I beg leave of the House to withdraw my motion.

Cutmotion, by leave, withdrawn.
Demand put and carried

2. Rs. 180 under 5—Co-operative Societies—Dearness Allowance

__Mr. T. K. Nayar__ *(Minister for Rural Development)*: Sir, I move for an allotment of Rs. 180 under "5—Co-operative Societies—Dearness Allowance—119" by transfer from "5—Co-operative Societies—Salaries".

*Speech not corrected by the Hon'ble Member.

LIBRARY ARCHIVES Kerala Legislative Assembly